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Broadband Gap

On The Media, May 6, 2005

Brooke Gladstone: When the future finally catches up with technology, we'll all carry devices that offer anytime-anywhere connections to the Internet — fast, cheap and reliable. And not just because it's fun, writes Thomas Bleha in the current issue of Foreign Affairs, but because high-speed Internet access is an economic necessity. Think of it this way: when Eisenhower established an interstate highway system 50 years ago, it wasn't for joy rides, but to move goods around the country faster. Bleha says America has blown its lead in the new economy. We have a broadband gap.

Thomas Bleha: We are somewhere between being on a gravel road, which would be dialup, and an asphalt road, a newly-paved gravel road, which I call basic broadband. The basic broadband is about 25 times faster than the dialup, but in Japan and Korea and urban China, they are now on high-speed broadband, which I could liken to two-lane state highways, which are 15 times faster than what we are currently using, our asphalt road, and increasingly they have millions of people on ultra high-speed fiber highways, or our interstate highway system, which is four times faster still. And at that top speed, you can download a song in a few seconds, and you can download a full length movie in less than five minutes.

Brooke Gladstone: So why don't you tell me, first of all, what the e-Japan strategy has been, and then tell me what the Bush administration, as you've written, seems to have done wrong.

Thomas Bleha: In Japan, they were well behind at the end of 2000. They appointed a high profile commission headed by the Sony Chairman Idei that came up with a very bold proposal that Japan become the world's leading Internet nation in five years' time. They took the strategy into the prime minister's office. They laid out some very ambitious goals for broadband, and they have funded them, and they have followed through. In less than two years and a half, for example, they went ahead of us in the percentage of -— with broadband access. Now, what did we do wrong? The top levels of the Bush administration are simply uninterested in this issue. The Federal Communications Commission produced somewhat unpredictable and difficult to interpret decisions, so basically we've had about four years of drift, and unless we have some more direction from the government, I would argue, we're going to drift for quite a while longer.

Brooke Gladstone: It sounds like the Japanese strategy was simply to combine the forces of business and government and to look ahead. What steps do you think the FCC or the cabinet should have taken during that time?

Thomas Bleha: They should have continued with the competition policy that was begun in the Clinton-Gore years by the FCC.

Brooke Gladstone: What does that mean?

Thomas Bleha: Well, the Clinton-Gore FCC basically permitted any qualified competitor to have access to the telephone lines that go into our homes. But the telephone companies resisted that mightily, in the courts and on the Hill, and after about three years of the Bush administration that competition policy has basically died. And we are now stuck with another approach which will pit the telephone companies' DSL against the cable companies, and they hope the power line companies will come in and wireless companies will also join the competition.

Brooke Gladstone: You know, Tom, you're probably aware that The Economist called you a "techno-alarmist." They say the situation isn't nearly as bad as you claim. For example, America, by virtue of its size, will naturally take more time to wire up than, say, Denmark or South Korea, but per capita, our broadband penetration is, in fact, above average, right?

Thomas Bleha: It is above average, but it's also the quality of the broadband. Our broadband is among the slowest, most expensive and least reliable in the advanced industrialized countries. That's why I likened it to an asphalt road. Other countries, for about half the price, have state highways, and for the price that we pay for our asphalt

roads, they have interstate highways. And I believe, and The Economist disagrees, that at each of those stages, there will be new content possibilities, there will be new services. You're dealing with a qualitatively different kind of communication.

Brooke Gladstone: The Economist also disputes your assertion of the risk that America will incur if it doesn't catch up soon.

Thomas Bleha: Yeah, I think they're simply wrong in that. You know, the Clinton-Gore administration in its final economic report chalked up fully one third of the growth in the American economy between 1995 and 2000 to information technology. It's hard to know, but surely there are hundreds of billions of dollars at stake over the next several years, and there are hundreds of thousands of jobs at stake.

Brooke Gladstone: And so, when people say you're the prophet of techno-doom, you just say–?

Thomase Bleha: On the contrary — I am trying to get our country moving. If we have to have an analogy, rather than a religious one, I would choose Paul Revere.

Brooke Gladstone: Tom, thank you very much.

Thomas Bleha: You're most welcome.

Brooke Gladstone: Tom Bleha, the recipient of an Ave Fellowship, is finishing his book on the race for Internet leadership. Its working title is "Down to the Wire."

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URL: http://www.onthemedia.org/transcripts/transcripts_050605_broadband.html

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June Calendar

June 25 — Newsletter Deadline — 7:00 am

June 27 — Amiga By-The-Loop Chapter
7:00 pm — Grand Prairie Public Library
901 Conover Drive, Grand Prairie

June 27 — MCCC Board of Director's Meeting
Approx. 9:30 pm — Location TBD